

NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

CURLED HAIR INDUSTRY

AS SUBMITTED ON AUGUST 30, 1933



The Code for the Curled Hair Industry
in its present form merely reflects the proposal of the above-mentioned
industry, and *none of the provisions contained therein are*
to be regarded as having received the approval of
the National Recovery Administration
as applying to this industry

UNITED STATES
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CODE OF FAIR COMPETITION OF THE CURLED HAIR INDUSTRY

ARTICLE I—PURPOSE OF THE CODE

The purpose of the Code is to effectuate the policies set forth in Title I of the National Industrial Recovery Act, during the period of the emergency set forth therein, insofar as it is applicable to the Curled Hair Industry by reducing unemployment, improving the standards of labor, eliminating practices inimical to the interests of the public, employees, and employers, to increase the compensation of industrial and agricultural products by increasing the general purchasing power, and otherwise to improve the present conditions of the Curled Hair Industry and all such purposes as are set forth in the National Recovery Act insofar as the same apply to the Curled Hair Industry.

ARTICLE II—DEFINITIONS

Wherever used in this Code or in any Schedule appertaining hereto the terms, hereinafter in this Article and in any Schedule annexed hereto, shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter in this Article and in such Schedule set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

SECTION 1. The term "United States" means and includes all of the territory of the United States of America.

SEC. 2. The term "the President" means the President of the United States of America.

SEC. 3. The term "the Industry" means and includes the business of manufacturing Curled Hair in the "United States."

SEC. 4. The term "Curled Hair" means and includes all hair and/or Hair fibres and fibres of animal or vegetable origin curled or crimped.

SEC. 5. The term "member of the Industry" means and includes any person, firm, association, or corporation operating a plant or plants in the United States for the Manufacturing of Curled Hair.

SEC. 6. The term "the Code" means and includes this Code and all Codes annexed hereto as originally approved by the President and all amendments hereof and thereof made as hereinafter in Article IX provided.

SEC. 7. The term "Association" means the National Association of Curled Hair Manufacturers.

SEC. 8. The term "unfair practice" means and includes any act described as an unfair practice in Schedule 1 annexed hereto.

SEC. 9. Wherever used in the Code with reference to the Industry, or any member of the Industry, unless the context shall otherwise clearly indicate—

(a) The term "products" includes only Curled Hair or Curled Hair and fibre.

(b) The term "plant" means only a plant for the production of one or more products in the Industry;

(c) The term "prices" means only prices for products produced in the Industry;

(d) The term "wages" includes only wages for labor performed in the Industry;

(e) The term "labor" means only labor performed in the Industry;

(f) The term "hours of labor" or "hours of work" includes only hours of labor or hours of work in the Industry; and

(g) The term "employee" means only an employee in the Industry.

SEC. 10. The term "the National Industrial Recovery Act" means the National Industrial Recovery Act as approved by the President, June 16, 1933.

SEC. 11. The term "the effective date of the Code" means the second Monday after the date on which the Code shall have been approved by the President, pursuant to the National Industrial Recovery Act.

ARTICLE III—ADMINISTRATION OF THE CODE

SECTION 1. "The National Association of Curled Hair Manufacturers", herein sometimes referred to as "the Association", is an unincorporated group having an office at present at Philadelphia, State of Pennsylvania. Membership in the Association shall be open to all members of the Curled Hair Industry. The reasonable cost of administering the National Association of Curled Hair Manufacturers shall be assessed to the members directly. The dues assessed for such cost on an equitable basis shall be established by the Association and shall be subject to revision from time to time by the Association.

SEC. 2. The Association shall be the general planning and coordinating agency for the Curled Hair Industry and shall cooperate with the President in furthering the policies of the National Industrial Recovery Act.

ARTICLE IV—HOURS OF LABOR, RATES OF PAY, AND OTHER CONDITIONS OF EMPLOYMENT

SECTION 1. Pursuant to subsection (a) of Section 7 of the National Industrial Recovery Act and so long as the Code shall be in effect, the Code shall be subject to the following conditions:

(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union

or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

SEC. 2. The plants of the Industry are open to capable workmen without regard to their membership or nonmembership in any labor organization. The Industry firmly believes that the unqualified maintenance of that principle is to the interest of its employees.

SEC. 3. The Industry understands that nothing in Article IV, Section 1, Subdivisions 1, 2, and 3, shall impair in any particular the constitutional rights of the employee and employer to bargain individually or collectively as may be mutually satisfactory to them, nor does it impair the joint right of employer and employee to operate an open shop, and that nothing in the said Section and Subdivisions shall prevent a member of the Industry from selecting, discharging, retaining, and advancing any employee or employees on the basis of his or their individual merit without regard to his or their affiliation or nonaffiliation with any labor organization.

SEC. 4. None of the members of the Industry shall employ in or about its plant any person under sixteen years of age.

SEC. 5. No employee as noted below shall be paid less than 35¢ per hour for females and 40¢ per hour for males. Employees disabled by old age, or other causes, employed in the plant and not to exceed in number five percent of the pay roll who shall receive not less than 80 percent of the minimum rates.

SEC. 6. No employer shall employ any person except as herein-after mentioned over 40 hours per week in any period of 26 weeks, nor over 48 hours in any one week, but such employees shall in no case work more than 40 hours average in any 26-week period. The provisions of this paragraph shall not apply to repair, engineering, firemen, shipping, watching, supervisory staff, executives, and salesmen receiving 35 dollars per week and over. The working hours of Office Employees shall be an average of forty hours a week in any twenty-six weeks' period. For the purpose of this section the first twenty-six weeks' period for each employee in the employment of any member of the Industry at the effective date hereof shall begin with such date, and the first twenty-six weeks' period for any employee hereafter employed shall begin with the date of employment of each employee.

ARTICLE V—INDUSTRY AND DIVISION PLANNING COMMITTEES

For the purpose of carrying into effect the policies of the National Industrial Recovery Act the Association shall appoint an Industry Planning Committee. No decision of the Industry Planning Committee shall be binding upon the Industry unless approved by three fourths of the members of the Association.

ARTICLE VI—UNFAIR PRACTICES

For the purpose of the Code the acts described in Schedule I annexed hereto shall constitute unfair practices. Such unfair practices and all other practices which shall be declared to be unfair

practices by the Association or by any amendment to the Code adopted, as hereinafter in Article IX provided and at the time in effect, shall be deemed to be unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act as amended, and the using or employing of any of them shall be deemed to be a violation of the Code; and any member of the Industry which shall, directly or indirectly, through any officer or representative, knowingly use or employ any of such unfair practices shall be guilty of a violation of the Code.

ARTICLE VII—ENFORCEMENT OF THE CODE

In the case of a complaint made to the Association of any violation of this Code, or any amendment or supplement thereto, the Association shall cause such complaint to be investigated. Should the Association have reasonable ground for believing that the complaint is justified and if, after reasonable notice to the offender, the offender does not correct any such violation, the Association shall duly notify all of the members of the Industry of such violation. The Association may thereafter in its discretion present the facts of such violation to the Attorney General of the United States, or the Federal Trade Commission, or any other duly constituted public authority upon whom the duty of enforcing this Code of fair competition rests.

ARTICLE VIII—GENERAL PROVISIONS

SECTION 1. Any notice, demand, or request required or permitted to be given to, or made upon, any member of the Industry shall be sufficiently given if telegraphed prepaid, addressed to such member at the address of such member on file with the Association and in the event that no time is provided in this Code for the delivery of any notice, demand, or request, ten days' notice shall be required to be given.

SEC. 2. None of the members of the Industry shall be liable in any manner to anyone for any acts of any other member of the Industry, or for any acts of the Association, or any officer, committee, attorney, or employee of the Association. None of the members of the Industry or Association or any committee, officer, attorney, agent, or employee thereof appointed by the Association for the Industry shall be liable to anyone for any act or omission to act under the Code, except for a willful misfeasance or nonfeasance. Nothing contained in the Code shall be deemed to confer upon anyone other than a member of the Industry any right, claim, or demand whatsoever against a member of the Association or of any committee appointed by the Association or against any officer, attorney, or employee employed by the Association.

SEC. 3. As soon as members of the Industry representing three fourths of the members of the Association shall have signified their approval of the Code, the Code Committee through its Chairman shall submit the Code to the President pursuant to the provisions of Title I of the National Industrial Recovery Act, and upon approval of the Code by the President pursuant to the provisions of such

Title I, the Code shall apply to and be binding upon every member of the Industry.

SEC. 4. The Association shall have the power from time to time to interpret and construe the provisions of the Code, including, but without limitation upon the foregoing, power to determine what are products within the meaning of that term as it is used in the Code. Any interpretation or construction placed upon the Code by the Association shall be final and conclusive upon all members of the Industry.

SEC. 5. The Association shall have power from time to time to delegate any powers conferred upon it pursuant to any of the provisions of this Code to any committee composed of members thereof, and or members of the Industry, and/or attorney, and/or agents.

SEC. 6. Pursuant to Subdivision (b) of Section 10 of the National Industrial Recovery Act, the President may from time to time cancel or modify any order, approval license, rule, or regulation issued under Title I of said Act.

ARTICLE IX—AMENDMENTS

This Code may be amended at any time in the manner hereinafter provided. The change of any schedule hereto or the addition hereto of any new schedule shall constitute an amendment of the Code. All amendments shall be proposed by not less than twenty-five percent of the members of the Association. Each amendment so proposed shall be submitted to a meeting of members of the Association which shall be called for such purposes upon giving not less than ten days' notice to each member of the Association, stating the time and place of such meeting and the purpose therefor. If at such meeting the members of the Association representing three fourths of the members thereof shall vote in favor of the adoption of such amendment, such amendment shall be submitted to the President for approval, if approval thereof by him shall then be required by law. Such amendment shall take effect as a part of the Code upon the adoption thereof by members of the Association as above provided, and the approval thereof by the President, if approval thereof shall be required as aforesaid.

This Code shall continue in effect until terminated as hereinafter provided. It may be terminated at any time by the same action by members of the Association as is above provided and required for amendment thereof. When so terminated all obligations and liabilities under the Code shall cease, except any obligations which have accrued under any provision of the Code prior to such termination date.



SCHEDULE I

LIST OF UNFAIR PRACTICES

For the purpose of the Code the following described acts shall constitute unfair practices:

(a) Sales of the products of the Industry to any distributor, dealer, or consumer of a quality lower than that previously purchased by such consumer without informing such distributor, dealer, or consumer of the difference, or alleged difference, in quality.

(b) Making or promising to any purchaser or prospective purchaser of any product, or to any officer, employee, agent, or representative of any such purchaser, or prospective purchaser, any bribe, gratuity, gift or other payment or remuneration, directly or indirectly, or promise of reciprocity purchases.

(c) Procuring, otherwise than with the consent of any member of the Industry, any information concerning the business of such member which is properly regarded by it as a trade secret or confidential within its organization, other than information relating to a violation of any provision of Code.

(d) Imitating or simulating any design, style, mark, or brand, used by any other member of the Industry.

(e) Using or substituting any material superior or inferior in quality to that specified by the purchaser of any product.

(f) Canceling in whole or in part, or permitting the cancelation in whole or in part, of any contract of sale of any product except for a fair consideration, or paying or allowing to any purchaser in connection with the sale of any product any rebate, commission, credit, discount, adjustment, or similar concession other than as is permitted by the Code and specified in the contract of sale.

(g) Disseminating, publishing, or circulating any false or misleading information relative to any product or price for any product of any member of the Industry, or the credit standing or ability of any member thereof to perform any work, or manufacture or produce any product, or to the conditions of employment among the employees of any member thereof.

(h) Inducing or attempting to induce by any means any party to a contract with a member of the Industry to violate such contract.

(i) Aiding or abetting any person, firm, association, or corporation in any unfair practice.

(j) Making or giving to any purchaser of any product any guaranty or protection in any form against decline in the market price of such product.

(k) Giving free samples in excess of one pound of any one grade.

(l) The practice of shipping products on consignment has resulted in unfair competition. No member of the Industry shall deliver the products thereof on consignment except to an affiliated company of such member. An affiliated company shall mean a company in which a member of the Industry has a voting control through the record or equitable title of the voting stock thereof, or has control of such company in any other manner.

(m) The making of false statements or reports, written or oral, required pursuant to any of the provisions of this Code or any resolution duly adopted by the National Association of Curled Hair Manufacturers.

(n) Selling below cost is an unfair trade practice.